

# County of Los Angeles INTERNAL SERVICES DEPARTMENT

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"To enrich lives through effective and caring service"

December 26, 2012

To:

Audit Committee

From:

Tom Tindall

Director

Subject: REVIEW OF BOARD POLICY NO. 4.060

CONTRACT EXPENDITURE REDUCTION FLEXIBILITY

Tan Thydace

Based on the request of the Executive Office of the Board, Internal Services Department in conjunction with the Chief Executive Office, has reviewed Board Policy 4.060, Contract Expenditure Reduction Flexibility. At this time, we are recommending two minor revisions: (1) under Responsible Department, identify Internal Services Department as the first responsible department, and (2) extend the sunset review date to March 31, 2017.

Attached is red-line version of the policy, as requested by the Executive Office.

If you have any questions regarding this request, please contact Joe Sandoval at (323) 267-2109 or jsandoval@isd.lacounty.gov.

TT:JS:LG:bg

Attachments

C:

Executive Officer, Board of Supervisors

Chief Executive Officer

Policy #:	Title:	Effective Date:
4.060	Contract Expenditures Reduction Flexibility	05/25/93

## PURPOSE

Provides the County with the flexibility to cancel contracts or reopen contract negotiations to achieve budget reductions, should it be necessary, due to the County's financial situation.

#### REFERENCE

May 25, 1993 Board Order, Synopsis 66

June 23, 1993 Chief Administrative Memorandum, "Contract Renegotiation Clauses"

March 8, 1994 Board Order, Synopsis 42

## **POLICY**

Require all new or renewal consultant and all other contractor agreements to (including lease agreements) contain clauses that allow for cancellation or renegotiation downward consistent with County budget reductions.

## RESPONSIBLE DEPARTMENT

Internal Services Department

Chief Executive Office

Internal Services Department

## DATE ISSUED/SUNSET DATE

Issue Date: May 25, 1993 Review Date: May 20, 2004 Re-issue Date: April 16, 2009 Review Date: December 18, 2012 Sunset Review Date: May 25, 2003
Sunset Review Date: March 31, 2009
Sunset Review Date: March 31, 2013
Sunset Review Date: March 31, 2017